

25 March 2021



Climate Change Commission
PO Box 24448
Wellington 6142

To He Pou a Rangi (the New Zealand Climate Change Commission),

Submission to the Climate Change Commission's first advice package from Whakatāne District Council

The Commission's full advice report is available online at <https://www.climatecommission.govt.nz/get-involved/our-advice-and-evidence/>

Ngā mihi nui ki a koutou kātoa. Whakatāne District Council is grateful for the opportunity to submit on the Climate Change Commission's first draft advice package to government. We acknowledge the extensive work undertaken by the Commission to provide this level of advice, and the implications of the recommended policy direction. We congratulate the Commission on reaching this significant milestone and what it might mean for climate policy in New Zealand in the future.

At Whakatāne District Council, we share and welcome the urgent call for climate action across all levels of government in Aotearoa New Zealand. We recognise our own role in showing leadership and doing our part to respond to climate change through the unique relationships we have with our communities, stakeholders and iwi partners. We believe local government in Aotearoa New Zealand has an important part to play in collectively reaching our national emission reduction targets, and contribute towards the international goals under the Paris Agreement.

Across the Whakatāne District, our communities have voiced the urgency of taking real and early climate action. We have set climate change targets to take deliberate actions towards the ambitious goal of being a CarbonZero¹ organisation by 2030, and a CarbonZero¹ district by 2030. Aligning to, and in some cases exceeding, national emission reduction targets emphasises the importance of the issue and our commitment to essential action in the face of uncertainty.

¹ Excluding biogenic methane and nitrous oxide

As with many other parts of New Zealand, our communities are geographically dispersed across the district, with many remote communities far from urban centres. We share and emphasise the He Pou a Rangi objective of a just and equitable transition. We need to ensure the equity of our people, while also ensuring the resilience of our communities. A well implemented transition will allow for increasing wealth-transfer opportunities, making sure we take care of our people and ensure no one is left behind. For sustained climate action to take place over the coming decades a just and equitable transition needs to be in the centre of all decision-making.-

On the following pages we set out some key considerations for He Pou a Rangi regarding the first draft package to government. This includes two key considerations for responding to climate change from a local government perspective, and provide context of the unique aspects of the Whakatāne District. We also include a table setting out our feedback on specific consultation questions that most strongly relate to us.

Our recently-adopted climate change strategy and action plans include ambitious climate targets, which have been recognised by other organisations as ‘leading the way’ in Aotearoa New Zealand. We are aware that achieving these targets requires a collaborative approach, and we are eager to work closely with He Pou a Rangi and central government to develop-an effective emission reduction pathway for our district should the opportunity arise. We offer our local knowledge and expertise to inform the final advice going to government, and look forward to regularly contributing towards He Pou a Rangi Climate Change Commission’s processes and milestones.

Ngā manaakitanga,

Judy Turner
MAYOR

Key considerations – local government

Central and local government will need to continue to work collaboratively to ensure a unified approach to climate change is taken across Aotearoa New Zealand. This will require precise definition of the roles and responsibilities of local government and central government regarding climate change response. A carbon neutral New Zealand will be achieved through sustained climate action at a local level, and adequately resourcing local government to take climate action will be a crucial part of the solution.

1. Defining the roles and responsibilities of local government regarding climate change response

- A key factor is to provide clear guidance and mandates to local government and ensure policy alignment across government levels, agencies and departments. For example, the RMA and the Building Act do not currently align, especially around the area of natural hazard risk management. There is also a need for the use of consistent climate model input parameters (eg. agreed use of specific RCP-scenarios and defining levels of risk where intervention is appropriate) across central and local government.
- As more and more Councils across Aotearoa New Zealand start regional and local climate change risk-assessment and climate adaptation work, there is a need for further clarity of the roles and responsibilities of local government. It would be useful if central government could set clear expectations for local government to align with, otherwise there is the risk of inefficiencies in battling this complex problem. For example, what is the mandate of Councils, what will the engagement with local communities look like, how do we ensure an equitable transition and ultimately, how is the cost equitably distributed?
- Councils currently carry out significant engagement with the community on a wide range of topics, with many already engaging on climate change-related issues. Central government also needs to engage with communities, and this should complement local government efforts.

2. Resourcing local government to take climate action

- Local government has a crucial role to play in climate change mitigation and adaptation, but needs funds to take action. The size and rating base of each Council differs across New Zealand; therefore, the opportunities of each Council to effectively address and plan their climate response differs.
- A carbon neutral New Zealand will be achieved through sustained climate action at a local level. Councils are viewed as leaders regarding climate change response in their respective regions. Appropriately funding local government to set their own ambitious climate targets and take sustained and appropriate climate action will be crucial for New Zealand, especially to meet the nationally determined contribution (NDC) under the Paris Agreement.
- Many of the recommendations outlined in the first draft advice package to government trigger a concern of how local government will be supported and funded to carry out the required scale of changes needed. For example, local government is currently not adequately funded to build and maintain the public and active transport infrastructure necessary to carry out the mode shift proposed.
- Local government is currently going through a period of change, with multiple large investments needed simultaneously including solid waste and three waters. This is

an excellent opportunity to ensure those investments align with national and local emission reduction targets, focusing on the long-term benefits of those regions and their communities, while noting these will require significant investment from central government level.

Key considerations – Whakatāne District

It is important that the government does not take a ‘one size fits all’ approach to climate change action. Below are eight considerations for He Pou Rangi to note about the diverse nature of the Whakatāne District. These are offered as aids for understanding the unique context and strengths of our district, and are priorities for Whakatāne District Council in our climate change response. Government policy will need to take into account the diversity across New Zealand when formulating policy responses.

1. **We are a predominantly rural region.** Agriculture contributes 63% of our district’s carbon emissions.
2. **We have a high proportion of Māori.** Approximately 47 percent of the Whakatāne District’s population is of Māori descent². The wider Bay of Plenty region has the largest number of iwi within any region in New Zealand, of which seven iwi, 91 hapū and 100 marae reside within the Whakatāne District³. Out of these entities, the majority have reached settlements with the Crown. We acknowledge that our iwi and hapū partners all have varying capacity and resourcing to engage, appreciating that each partnership will look different.
3. **The Whakatāne District has a high deprivation rate,** averaging eight on the decile deprivation level scale across the district. The high level of deprivation in our communities is one of the reasons for our strong emphasis on affordability and the need for accessible subsidies for businesses, organisations and individuals to progress climate initiatives such as energy efficiency (insulation, green building standards, renewable energy etc.).
4. **The district is experiencing rapid growth and development,** with significant further investments due in the region through the Provincial Growth Fund.
5. **We are fortunate to have a diverse industry base.** Our local economies are predominantly primary industries and manufacturing, eg. agriculture, horticulture, forestry and wood processing, as well as boat building, marine services and construction. These industries are sensitive to the Emission Trading Scheme (ETS), carbon pricing and any future biogenic methane pricing. With the region’s unique landscapes and proximity to rivers, harbours and the coast, the tourism industry continues to be of importance for our future.

² https://www.whakatane.govt.nz/sites/www.whakatane.govt.nz/files/documents/local_governance_statement_2019-2022.pdf

³ <http://www.tkm.govt.nz/localauthority/whakatane-district-council/>

6. **The Kāingaroa Forest stretching across the Bay of Plenty Region and the Whakatāne District is the largest forest plantation in New Zealand and the second largest in the Southern Hemisphere.** Furthermore, 48 percent of the Whakatāne District is covered in indigenous forest, housing many endangered native species including the North Island brown kiwi, blue duck/whio and North Island kōkako. Developments in the Emission Trading Scheme (ETS) and overall carbon pricing will have an impact on the relative makeup of native vs. planted forest in our district.
7. **The district has exposure to a high number of natural hazards and experiences frequent events.** The Whakatāne District has experienced several significant civil defence challenges over the years. These have strengthened community resilience, but have also resulted in large financial costs for many, including the Council. Responding to frequent natural hazard events continues to impact the wellbeing of our communities. The question remains - how do we ensure the resilience of our people and plan for the future, as the frequency and severity of natural hazards and events are projected to increase due to climate change effects?
8. **The climate and land structure of the Whakatāne District presents a range of opportunities to generate renewable energy.** Currently, the district produces more renewable energy than consumed locally, mainly through generating hydro electricity from the Rangitāiki River⁴. This is, however, supplied to the national grid and as such, does not benefit the district specifically. Other renewable energy opportunities to be explored further include solar and geothermal.

⁴ https://www.boprc.govt.nz/media/718089/bay-of-plenty-community-carbon-footprint-2015_16_-final-results.pdf

Feedback on consultation questions

In the below table, comment on specific consultation questions are provided.

For those consultation questions not specifically addressed, support is provided in principle.

Key:

Some relevance, significance or recommended change.	High relevance, significance, or area of concern.
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CONSULTATION QUESTION	PAGE	OUR VIEWS AND RESPONSES
<p><u>Consultation question 1.</u></p> <p>Do you support the principles we have used to guide our analysis? Is there anything we should change, and why?</p>	30	<p>In support</p> <p>Most of the principles support our own Climate Change Principles in terms of ‘acting now, caring and protecting the environment, acknowledging those most affected, thinking and acting long term, learning as we go, being part of the solution and building capacity to recover from difficulties’.</p> <p>Principle 5: ‘Transition in an equitable and inclusive way’ is of particular importance to the Council as several of the initiatives proposed to reduce carbon emissions will directly impact our local economy. For example:</p> <ul style="list-style-type: none"> • Converting exotic forestry and some pastoral farming land to indigenous forests will not only remove productive capacity and reduce economic viability of some existing activities, it will also reduce the rateable values of the land involved and thereby impact upon the rating income for a District which already has a large area of non-rateable land in Te Urewera. These cascading effects need to be recognised in Government support packages to local authorities. • Implementing mechanisms to capture methane emissions from existing and historic landfills will be a significant cost that will be beyond the financial capability of our decile 8 communities to afford. <p>Making sure the transition is equitable and just also allows for wealth transfer opportunities, making sure our communities and businesses won’t only survive, but will thrive.</p>

<p><u>Consultation question 4.</u></p> <p><i>Limit on offshore mitigation for emissions budgets and circumstances justifying its use</i></p> <p>Do you support budget recommendation 4? Is there anything we should change, and why?</p>	38	In support, in particular the adopting of a precautionary approach to manage uncertainties at this early stage
<p><u>Consultation question 5.</u></p> <p><i>Cross-party support for emissions budget</i></p> <p>Do you support enabling recommendation 1? Is there anything we should change, and why?</p>	39	In strong support. Cross-party support is essential to ensure certainty and enable confident decision-making at all levels.
<p><u>Consultation question 6.</u></p> <p><i>Coordinate efforts to address climate change across Government</i></p> <p>Do you support enabling recommendation 2? Is there anything we should change, and why?</p>	40	In strong support. A coordinated central government policy and funding environments will promote efficiency and effectiveness in transitional carbon-reducing initiatives.
<p><u>Consultation question 8.</u></p> <p><i>Central and local government working in partnership.</i></p> <p>Do you support enabling recommendation 4? Is there anything we should change, and why?</p>	43	In strong support.
<p><u>Consultation question 9.</u></p> <p><i>Establish processes for incorporating the views of all New Zealanders</i></p> <p>Do you support enabling recommendation 5? Is there anything we should change, and why?</p>	44	In support, in particular the direction that decisions will be based on a combination of scientific knowledge (both qualitative and quantitative evidence) and mātauranga Māori.

<p><u>Consultation question 11.</u></p> <p><i>Locking in net zero</i></p> <p>Do you support our approach to focus on growing new native forests to create a long-lived source of carbon removals? Is there anything we should change, and why?</p>	49	<p>In support.</p> <p>There is a consistent emphasis on the increasing use of biomass over gas as a heat source. This will be problematic for geographical locations where air quality is already an issue – eg Rotorua, Christchurch. Has this issue been thoroughly considered?</p>
<p><u>Consultation question 12.</u></p> <p><i>Our path to meeting the budgets</i></p> <p>Do you support the overall path that we have proposed to meet the first three budgets? Is there anything we should change, and why?</p>	70	<p>In support.</p> <p>Noting that many of the emission budget actions directly align with our climate change action plans.</p> <p>We particularly like the two scenario approach to reflect varying constraints and opportunities. The resultant range between the least optimistic and most optimistic scenario is informative and adds a layer of analytical robustness to the recommendations.</p>
<p><u>Consultation question 13</u></p> <p><i>An equitable, inclusive and well-planned climate transition</i></p> <p>Do you support the package of recommendations and actions we have proposed to increase the likelihood of an equitable, inclusive and well-planned climate transition? Is there anything we should change, and why?</p>	103	<p>In strong support.</p> <p>An equitable transition is one of our key climate change principles.</p>
<p><u>Consultation question 14</u></p> <p><i>Transport</i></p> <p>Do you support the package of recommendations and actions for the transport sector? Is there anything we should change, and why?</p>	110	<p>In support. However, in a rural provincial setting we query the validity of the assumption that the distances travelled by walking, cycling, and public transport can be increased by 25%, 95% and 120% respectively by 2030.</p>

<p>Consultation question 15</p> <p>Heat, industry and power sectors</p> <p>Do you support the package of recommendations and actions for the heat, industry and power sectors? Is there anything we should change, and why?</p>	118	<p>In support.</p> <p>The Commission’s advice recognises one of the most significant opportunities for emission reductions is reducing fossil fuel use, especially the use of natural gas in commercial and public buildings (p. 116).</p> <p>Council’s Energy Action Plan recognises the short-term target of reducing our organisational use of natural gas through efficiency measures, with the long-term goal of phasing out our natural gas powered units by 2030. Council’s ongoing energy management programme is already delivering significant progress on this action, with a 40 percent reduction in natural gas use achieved between 2017/18 and 2019/20 at Council facilities.</p>
<p>Consultation question 17</p> <p>Forestry</p> <p>Do you support the package of recommendations and actions for the forestry sector? Is there anything we should change, and why?</p>	124	<p>Overall, Council is supportive of the proposed recommendations and actions for the forestry sector. However, the economic impact for local communities needs to be a key consideration to ensure a just transition.</p> <p>The Kāingaroa Forest that stretches across the Bay of Plenty Region and the Whakatāne District is the largest forest plantation in New Zealand and the second largest in the Southern Hemisphere. A total of 29 percent of the Whakatāne District is covered by plantation forest⁵. Furthermore, 48 percent of the Whakatāne District is covered in indigenous forest, housing many endangered native species including the North Island brown kiwi, blue duck/whio and North Island kōkako.</p> <p>Developments in the Emission Trading Scheme (ETS) and overall carbon pricing will have an impact on the relative makeup of native vs. planted forest in our district. Currently, the ETS strongly favours the plantation of exotic forest. There is a growing concern around how the recommendations may sufficiently acknowledge the substantial biodiversity impacts that may result, given the biodiversity crisis New Zealand is currently facing. The Ministry for the Environment has estimated that up to 80% of New Zealand reptiles and frogs, bats and birds are at risk⁶. Many of these species predominantly inhabit native forests.</p>

⁵ [Whakatāne District Plan - 2017](#)

⁶ <https://www.mfe.govt.nz/more/biodiversity/about-biodiversity/biodiversity-new-zealand>

		<p>Council supports measures to reduce deforestation of native forests, as well as the implementation and enforcement of forest management plans to help ensure that exotic forest can be transitioned into native forest.</p> <p>This is especially relevant in lieu of the various potential climate scenarios in the future. In particular, what effect increased temperatures may have on the viability of native trees vs exotic and how different climate scenarios may affect pest and disease spread. Further work needs to be put in in understanding the comparable level of fire risk between exotic and indigenous forests. This is especially relevant to Whakatāne District as air temperatures and drought conditions are expected to increase in the central plateau.</p> <p>While supporting the overall proposed recommendations for the forestry sector, Council acknowledges that forestry and wood processing continue to play a significant role in our local economy, and so the wider wellbeing of our district. These industries are sensitive to carbon pricing through the ETS, as well as international and national trends. A reduction in exotic forest could significantly negatively impact on our local economy if not managed. To avoid a shock to our local economy, opportunities to transition the industry and support a pivot that ensures greater value add within the industry could ensure the economic impact of these changes does not impact community wellbeing and employment. It is crucial a 'just transition' is front and centre when considering the implications of the Commission's recommendations on the forestry sector in New Zealand. The equity aspect must be considered when discussing possible solutions.</p> <p>Council would like to see further consideration on the impacts to Iwi/Māori regarding the challenges they could face in transitioning land-use and any potential impacts to treaty negotiations. The wider Bay of Plenty region has the largest number of Iwi within any region of New Zealand, of which seven Iwi and 91 hapū reside within the Whakatāne District. The majority of these have reached settlements with the Crown. The economic impact of changes to the Districts land use and forestry make-up could disproportionately impact our Iwi/Māori communities.</p> <p>For the Whakatane District Council, a core climate change principle is equity and justice, noting that any transitions needs to be fair, equitable and inclusive, and acknowledge those most affected.</p>
<p>Consultation question 18</p> <p>Waste</p> <p>Do you support the package of recommendations and actions for the waste sector? Is there anything we should change, and why?</p>	126	<p>Council supports the target to reduce waste emissions in Aotearoa by at least 15% by 2035.</p> <p>This target should be included in the current review of the NZ Waste Strategy. However, we need to make waste avoidance strategies a priority over diversion strategies. Avoidance strategies are more applicable in the home, commerce and industry. This is where more education and waste minimisation measures need to occur to achieve this target, at both local and central government levels. The focus needs to be on organic wastes and prioritising composting methodologies before landfill gas capture.</p>

		<p>Council agrees with investing increased revenue from the levy and understands that central government is currently working on an investment strategy for this money. This should include investment in national recycling infrastructure on a regional/national basis, and funds for addressing organic waste.</p> <p>Council does not understand how an 'increase in the circularity of the economy' can be measured and seeks clarification on this? We therefore cannot agree with the 2025 target.</p> <p>Council agrees with extending the product stewardship scheme to other products. However, we need to see results from the proposed six products before extending the scheme.</p> <p>Coordinated national waste data is something councils have been pursuing for many years, and the National Waste Data Framework was a major step towards this. Whakatāne District Council is one of (if not the) first council to implement a working model of this framework, and this experience has been shared on the MfE - WasteMINZ TA Forum waste data working group and the Waikato and Bay of Plenty Waste Data Licensing Scheme working group. As a result, council staff are knowledgeable about the potential issues implementing the framework nationally. It will not be possible to implement such a system by December 2022. A phased introduction will be required and December 2022 could be seen as a start date for such phasing.</p>
<p><u>Consultation question 20</u></p> <p>Rules for measuring progress</p> <p>Do you agree with Budget recommendation 5? Is there anything we should change, any why?</p>	145	<p>In support</p> <p>In support of the production based approach from the national Greenhouse Gas Inventory as the basis for accounting for emissions budgets and the 2050 target. However, a consumption-based approach is key for understanding the wider implications of emissions rather than focussing on source. A consumption-based approach should continue to be developed further and implemented in the future, and used either as a replacement or in tandem with a production-based approach.</p> <p>In principle support the use of a modified activity-based approach for land emissions accounting. However, the Council would like clarification on whether the NDC will include the land areas or uses related to the activities of cropland management, grazing land management, revegetation, and wetland drainage and rewetting before offering full support.</p>

<p>General observations and gaps</p>	<p>Council acknowledges the extensive work undertaken by the Commission to provide this level of advice, and the implications of the recommended policy direction. We acknowledge the advice draws on robust evidence and expert analysis, as well as incorporates knowledge and wisdom from a wide range of people and organisations.</p> <p>The Council calls for more easily approachable and plain-English/Te Reo summaries and conclusions, and suggests the Commission investigates options around producing a larger quantity of alternative marketing collateral to reach a wider audience.</p> <p>The Council congratulates the Commission on reaching this significant milestone.</p>
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